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**LAC-IEE-07-17**

**ENVIRONMENTAL THRESHOLD DECISION**

**Activity Location:** Central America Regional: Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica

**Activity Title:** National Oceanographic and Atmospheric Administration (NOAA) FY 2006 Support for CAFTA-DR Environmental Cooperation Agreement Work Plan

**Activity Number:** ENV-P-00-98-00004-13

**Life-of-Activity Funding:** \$775,000

**Life-of-Activity:** 09 April 2007 - 30 September 2009

**IEE prepared by:** John Garrison, USAID/LAC RSD Environment

**Reference ETDs:** NA

**Recommended Threshold Decision:** Categorical Exclusion,

**Bureau Threshold Decision:** Concur with Recommendation


**Comments:**

A **Categorical Exclusion** is issued to the activity "National Oceanographic and Atmospheric Administration (NOAA) FY 2006 Support for CAFTA-DR Environmental Cooperation Agreement Work Plan" involving education, technical assistance, training, workshops, meetings, document transfers, and development planning pursuant to 22 CFR 216.2 (c)(2):

- (i) Education, technical assistance and training (216.2(c)(2)(i));
- (iii) Analyses, studies, and workshops (216.2(c)(2)(iii));
- (v) Document and information transfer (216.2(c)(2)(v)); and
- (xiv) Activities that will develop the capability of recipient countries to engage in development planning.

Amendments

- Amendments to Initial Environmental Examinations (IEE) or Requests for Categorical Exclusion (RCE) shall be submitted for LAC Bureau Environmental Officer (BEO) approval for any activities not specifically covered in the IEE or RCE, which include:
  - Funding level increase beyond ETD amount,
  - Time period extension beyond ETD dates (even for no cost extension), or
  - A change in the scope of work, such as the use of pesticides or activities subject to Foreign Assistance Act sections 118 and 119 (e.g. procurement of logging equipment, introduction of exotic species), among others.
- Amendments to IEEs that include Environmental Assessments (EA) and approval of these documents by the LAC BEO could require an annual evaluation for environmental compliance.
- Amendments are also required for the use or procurement of pesticides and require approval by the LAC BEO. Approval is valid only for the pesticides evaluated; use of additional pesticides would require another amendment to the IEE.

 Date 13 Apr 2007  
Victor H. Bullen  
Bureau Environmental Officer  
Bureau for Latin America & the Caribbean

Copy to:

Roberta Mahoney, LAC/RSD  
Dan Deely, EGAT/NRM  
Jerry Bisson, LAC/RSD  
John Garrison, LAC/RSD  
Michael Donald, REA  
Peter Keller, REA

Copy to:

Ellen Leddy, LAC/CAM  
Dan Riley, LAC/CAR

Copy to:

IEE File

**Attachments:**

- Initial Environmental Examination

File: P:\LAC.RSD.PUB\RSDPUB\EES\Reg 216\IEE\IEE07\LAC-IEE-07-17 CE(LAC – CAFTA-DR Env Work Plan, NOAA).doc



**USAID**  
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**Request for Categorical Exclusion**

**Activity Location:** Central America Regional: Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica

**Activity Title:** National Oceanographic and Atmospheric Administration (NOAA) FY 2006 Support for CAFTA-DR Environmental Cooperation Agreement Work Plan

**Activity Number:** ENV-P-00-98-00004-13

**Life-of-Activity Funding:** \$775,000

**Life-of-Activity:** April 9, 2007 to September 30, 2009

**Reference Threshold Decision:** NA

**IEE Prepared by:** John Garrison, USAID/LAC RSD Environment

**Date Prepared:** April 9, 2007

**Recommended Threshold Decision:** Categorical Exclusion

**1. BACKGROUND AND ACTIVITY DESCRIPTION**

The CAFTA-DR Parties signed the Environmental Cooperation Agreement (“ECA”) February 18, 2005. The ECA’s main objective is to “cooperate to protect, improve, and conserve the environment, including natural resources.” To implement the ECA, parties subsequently negotiated a work plan which seeks to improve the effective implementation and enforcement of environmental laws, support biodiversity and conservation, and help improve private sector environmental performance. In FY 2006, State allocated \$18.5 million to support the ECA work plan and allotted \$775,000 to the National Oceanographic and Atmospheric Administration (NOAA), to be implemented through USAID EGAT’s existing PAPA with NOAA, to increase the capacity of CAFTA-DR countries to (1) improve fisheries regulation, management and enforcement, (2) protect endangered marine sea turtles through improved use of Turtle Excluder Devices and reduced turtle by-catch in longline fishing, and (3) identify and address trade-related



aquatic invasive species pathways in CAFTA-DR Countries. The NOAA activities support the following sections of the ECA work plan:

- 1.1.2 Strengthening the capacity of administrative and judicial authorities for the enforcement of environmental procedures established in the countries of the region and pursuant to existing needs.
- 1.1.3: Strengthen the capacity of authorities in charge of environmental protection, natural resource protection and pollution control and prevention.
- 2.1.2. Promotion of exchange of experiences of initiatives related to the compliance of voluntary standards; including, among other actions, the promotion of exchange of experiences among key productive sectors of the region with businesses in the US and other countries, in order to create trade opportunities.
- 2.1.3 Promote mechanisms that facilitate voluntary actions to protect and improve the environment.
- 3.1.1 Promote cleaner production schemes in productive processes and export products and services within the region, applying best practices to improve efficiency in the use of raw materials and inputs, resource conservation, pollution prevention and control through technical assistance and technology transfer.

**A. Fisheries Regulation, Management and Enforcement in CAFTA-DR Countries: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Dominican Republic**

Much attention has been directed toward conservation of the marine environment in Central America. For instance, since 1997, the Global Environment Facility (GEF) has focused efforts on enhancing the protection of the ecologically unique and vulnerable marine ecosystems comprising the Meso-American Barrier Reef System (MBRS) by assisting the participating countries in strengthening and coordinating national policies, regulations and institutional arrangements for the conservation and sustainable use of this global public good. The initial Threats and Root Cause Analysis for the project cites overfishing as a significant threat in the region and notes that much of this overfishing is done in disregard for the regulations of countries in the area. This over-harvesting degrades the ecosystem on which people in the region depend for their livelihoods. Spiny lobster and queen conch, which are found in the same habitats, are exported in large quantities to the US, making the United States the market driver for this overfishing. These coral reef species are fished by the same fleets, making their management appropriate to address together.

The National Oceanographic and Atmospheric Administration (NOAA) of the U.S. Department of Commerce (DOC) will draw on its significant expertise in the areas of natural resource law enforcement and fisheries management to assist the Central America-Dominican Republic Free Trade Agreement (CAFTA-DR) countries (Dominican Republic, Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica) improve their performance in environmental compliance, law enforcement and marine resource protection. NOAA will conduct workshops and training for representatives of fisheries agencies in CAFTA-DR and other countries in the Central American region, along with intergovernmental organizations and possible private sector representatives, to:

- Present best available information in management planning and enforcement;
- Identify management and enforcement needs in countries in the region;
- Present possible solutions, including market based incentives, to address needs;
- Explore sustainable financing and cost recovery schemes to secure necessary revenue streams that allow countries to fulfill their management and compliance responsibilities.
- Develop a long term plan to meet the objective of ensuring that take and trade in fisheries in the CAFTA-DR region is conducted on a sustainable basis; and
- Develop additional priorities for work, activities and goals for each, and sources for sustainable financing.

Subject to available funding, NASA will implement the first priority actions developed under the long term work plan produced following the workshop. These efforts are expected to help enhance the ability of CAFTA-DR Governments to generate sustained economic growth while protecting their rich resource bases in perpetuity.

**B. Protect endangered marine sea turtles through improved use of turtle excluder devices and reduced marine turtle by-catch from longline fishing in CAFTA-DR Countries**

Six of the seven species of sea turtles in CAFTA-DR countries are listed under the U.S. Endangered Species Act (ESA) and Appendix I of the Convention on International Trade of Endangered Species (CITES). The United States and most of the CAFTA-DR countries (Costa Rica, Guatemala, and Honduras) are also members of the Inter-American Convention for the Protection and Conservation of Marine Turtles and the Inter-American Tropical Tuna Commission (Costa Rica, El Salvador, Guatemala, and Nicaragua). Both agreements urge Parties to better understand the interaction between commercial/ artisanal fisheries and the by-catch of sea turtles, as well as to use gears and methods to reduce the incidental by-catch of sea turtles.

**Turtle Excluder Devices (TEDs)** - Under Section 609 of Public Law 101-162 (Section 609), shrimp may only be imported into the United States from countries that take steps comparable to the United States to protect sea turtles in commercial shrimp trawl fisheries, such as the use of turtle excluder devices (TEDs). TEDS can reduce sea turtle by-catch by up to 97 percent. Each year, the United States certifies exporting countries that are using the approved TEDS through review of documentation, multiple-source reporting, and on-scene verification visits to subject countries. If countries do not meet these standards, their exports of shrimp products are denied access to the U.S. market. While Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua generally meet the Section 609 requirements, advances in TED technology over the past decade should be more effectively disseminated among all the shrimp fishing fleets of the CAFTA-DR region. In addition to improved sea turtle exclusion, these technical advancements can result in better TED performance for shrimp retention and product quality, thus increasing acceptance by fishers and industry leaders.



**Circle Hooks and Reduced Turtle By-catch** - In addition, the Magnuson- Stevens Fishery Conservation Management Reauthorization Act of 2007 requires certification, similar to that for Turtle Excluder Devices (TEDs) under PL 101.162, of nations that have provided evidence of adopting a regulatory program for living marine resources comparable to US. In the case of pelagic longline fishing, this includes mandatory use of circle hooks, careful handling and release practices, training and observer programs. Research conducted in the North Atlantic demonstrated that the use of large circle hooks in combination with specific bait types can significantly reduce sea turtle interactions with shallow-set, longline gear, reduce the severity of hooking related injuries and thus increase post-hooking survival.

NOAA is committed to assisting CAFTA-DR countries in meeting their international obligations and commitments to protect and conserve sea turtles. NOAA will conduct an initial analysis to identify the threats to marine sea turtles and conduct the following environmental cooperation, as appropriate:

1. Dockside interviews and participation in local forums with fishermen and industry leaders to ascertain the nature of operational problems which fishermen may be having with TEDs;
2. Capacity-building workshops and training of CAFTA-DR fishermen and net builders in TED technology advancements. Hands-on construction with project TED specialists will demonstrate optimal TED design and will ensure that TEDs will compliment current U.S. regulations and meet Section 609 requirements;
3. Distribution of basic educational materials, in Spanish, describing TED construction techniques, U.S. regulations, and frequently asked questions. Distribution of these materials will be facilitated through the workshops, respective national fisheries ministries and fishing companies and industry organizations.
4. Assistance to each country's Fisheries Ministry to ensure that the Section 609 process is clearly understood and provide recommendations on maintaining a viable TED program through capacity building at both the Ministry and industry level.
5. NMFS staff outreach with the private sector, the exporters and fishers to instill the concept of shared responsibility for maintaining compliance in conjunction with the government, including securing resources for maintaining the training program.
6. Recruit and train fishermen and onboard observers in circle hook experiment and data collection methods, use of dipnets and dehooking devices and safe sea turtle handling and release techniques;
7. Conduct scientifically valid circle hook fishing experiments to test and implement circle hook technology and fishing practices appropriate to the longline fisheries of each respective nation;
8. Analyze experimental data from fishing experiments to further develop longline fishing technology and practices aimed at reducing sea turtle bycatch and mortality in Costa Rica, El Salvador, Guatemala and Nicaragua.
9. Use experimental data to further refine solutions for sea turtle bycatch reduction and target catch retention.

### **C. Identifying and Addressing Trade-Related Aquatic Invasive Species Pathways in CAFTA-DR Countries**

Invasive Species are one of greatest threats to biodiversity, second only to habitat loss, since they result in competition with native species, loss of ecosystem services and increased production costs. With the increase of trade, transport and travel there has also been an increase in the movement of species across the globe. Researchers have found that of the 316 known non-native species in U.S. waters, all of them but 65 were introduced directly or indirectly through shipping. The Central American Free Trade Agreement (CAFTA-DR) will help to increase the trading of goods and services between Central America and the United States. Hull-fouling and ballast water could potentially increase as a result of increased trade.

In June 2001, the U.S. Department of State, IUCN and the Global Invasive Species Programme held a workshop to raise awareness about the impact of invasive species in Mesoamerica and the Caribbean. More recently, an assessment was conducted of the national and regional capacities and experiences on marine invasive species in the Wider Caribbean Region\*. The program of work under the Environmental Cooperation Agreement provides an opportunity for the U.S. to continue to build off the 2001 workshop and the regional UNEP assessment. To maximize gains from this FTA, the ability of CAFTA-DR countries to conduct risk assessments and reduce their risk must be strengthened. Often training in risk assessment is geared toward terrestrial species. However, aquatic species are some of the most difficult species to control and/or eradicate once they are introduced. Therefore, risk analysis and risk mitigation is needed prior to the introduction of non-native aquatic species. The first step in reducing the risk of aquatic invasive species is to identify the pathways through which they are being introduced and spread.

NOAA will conduct an initial analysis of the threats posed by trade-related aquatic invasive species in CAFTA-DR countries and host regional workshop to identify the pathways for aquatic species and introduce risk assessment techniques and potential management interventions to managers in the CAFTA-DR countries.

(\*National and Regional Capacities and Experiences on Marine Invasive Species, Including Ballast Waters, Management Programmes in the Wider Caribbean Region - a Compilation of Current Information. Vyjayanthi Lopez and Ulrike Krauss, CAB International Caribbean and Latin America Regional Centre (CLARC), Gordon Street, Curepe, Trinidad & Tobago. United Nations Environment Programme, July 2006.)

## **2. JUSTIFICATION FOR CATEGORICAL EXCLUSION REQUEST**

The activities envisioned under this program primarily involve capacity building, planning and training to improve and strengthen existing laws, legal frameworks, policies, regulations, and develop guidelines for park and protected area management. These activities are specifically designed to have a positive impact on the environment. Given the nature of the overall activities - improving fisheries regulation and enforcement, protecting marine turtles, and controlling marine invasive species - no indirect environmental impacts are expected. Because these activities will not have an effect on the natural or physical environment, an Initial Environmental Examination, Environmental Assessment and Environmental Impact Statement are not required.



The above activities qualify for a Categorical Exclusion pursuant to 22 CFR §216.2(c)(2)


- (i) Education, technical assistance and training (216.2(c)(2)(i));
- (iii) Analyses, studies, and workshops (216.2(c)(2)(iii));
- (v) Document and information transfer (216.2(c)(2)(v)); and
- (xiv) Activities that will develop the capability of recipient countries to engage in development planning.

As currently planned, no interventions will directly affect the environment. If during implementation, activities are considered under this project that are outside the above framework, activities other than those described in the subject Categorical Exclusions, and that may directly affect the environment (such as purchasing boats or implementing environmental monitoring or other priority actions under the long term work plan that have a potential for environmental impacts), an amended (supplemental) IEE or Request for Categorical Exclusion shall be submitted, as appropriate.

Approval: \_\_\_\_\_  
Roberta Mahoney  
USAID/LAC RSD Director

Date: \_\_\_\_\_

shall be submitted, as appropriate.

Approval:  \_\_\_\_\_  
Roberta Mahoney  
USAID/LAC RSD Director

Date: April 12, 2007

**Clearance Page:**

LAC/RSD/E Team leader: JBisson \_\_\_\_\_ Date: \_\_\_\_\_

LAC/RSD/E Environment Specialist: JGarrison \_\_\_\_\_ Date: \_\_\_\_\_

EGAT/NRM CTO: DDeely \_\_\_\_\_ Date: \_\_\_\_\_

File: RSDPUB/EES/CAFTA 2006 Labor and Environment/USAID Country and Mission  
Docs/NOAA/NOACAFTA-DR Env. Capacity Building April 2007 CatEx.doc.

**Clearance Page:**

LAC/RSD/E Team leader: JBisson JB Date: 4/11/07

LAC/RSD/E Environment Specialist: JGarrison JLG Date: 4/11/07

EGAT/NRM CTO: DDeely DD Date: 4/11/07

File: RSDPUB/EES/CAFTA 2006 Labor and Environment/USAID Country and Mission  
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